

MINUTES OF REGULAR MEETING - VIDEO
OPEN SESSION
August 22, 2013
ILLINOIS GAMING BOARD
CHICAGO, ILLINOIS

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Thursday, August 22, 2013 a Regular Meeting - Video of the Illinois Gaming Board ("Board") was held on the 5th floor at 160 N. LaSalle at the Michael J. Bilandic Building, Chicago, Illinois. The Open Session on Video Gaming started at approximately 11:00 A.M. Present were Members Lee Gould, Maribeth Vander Weele, Michael Holewinski and Chairman Aaron Jaffe.

APPROVAL OF MINUTES –

Member Vander Weele moved that **the Board approve the open session minutes of its Regular Meeting of July 18, 2013.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

ADMINISTRATOR'S REPORT –

Administrator Ostrowski indicated that 2,230 video gaming locations and 9,115 video gaming terminals are operational.

BOARD POLICY ITEM –

Caleb Melamed addressed the Board.

Section 78 (a) (3) and (b) of the Video Gaming Act [230 ILCS 40] confer rulemaking authority upon the Illinois Gaming Board regarding video gaming. At the August 22, 2013 open meeting of the Illinois Gaming Board, the Board's legal staff will submit proposals to amend the Board's rules on video gaming [11 Ill. Admin. Code 1800] as follows:

Renewal of supplier's license: The proposed rulemaking amends Section 241 of the riverboat gambling rules [86 Ill. Admin. Code 3000.241 ("Renewal of Supplier's License")] to provide that materials by supplier's licensees and their key persons in connection with renewal of a license must be submitted to the Board at least 90 days, instead of 60 days, before the renewal date. The proposed new language does not change the required materials that must be submitted as a condition for renewal. As under the current rule, the licensees seeking renewal must submit the following:

- A written statement requesting license renewal;

- A written statement verifying past compliance with the annual disclosure affidavit required under Section 240 [86 Ill. Admin. Code 240];
- Measures taken by the licensee to assure compliance with the Riverboat Gambling Act and rules; and
- Responses to specific questions raised by the Board in connection with its re-licensure investigation and review.

Also as under the current rule, key persons must submit information updating, and attesting to the veracity of all previously submitted materials and setting forth any required additional or different information from that which has been previously submitted.

Submission of the above information 90 days before a license is scheduled to expire will facilitate the renewal process by ensuring that the IGB staff can conduct a thorough re-licensing review in a timely fashion. The 90-day period also corresponds with that currently in effect for owner's license renewals [230 Ill. Admin. Code 3000.236].

Privacy of surveillance recordings: The proposed rulemaking adds a new subsection (c) to Section 840 of the riverboat gambling rules [86 Ill. Admin. Code 3000.840] designed to ensure the confidentiality of videotape and digital surveillance recordings. The new subsection provides that the viewing of any videotape or digital recording by any party other than Illinois Gaming Board staff or designated surveillance employees of an owner licensee is prohibited unless specifically approved by the Administrator or his or her designee, or pursuant to a lawful subpoena.

- **Proposed Amendments to the Video Gaming Rules –**
Member Vander Weele moved **to authorize staff to amend the Board's rules on Video Gaming by submitting a proposal for First Notice Filing with the Secretary of State upon final review and approval by the Administrator, including Section 570 on Renewal of a License, Section 820 on Measurement of Distances from Locations, and Section 830 on Waivers of Location Restrictions.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

SUPPLIER, DISTRIBUTOR AND MANUFACTURER LICENSEE ITEMS –

- **Konami Gaming, Inc.**
Based on staff's investigation, Member Gould moved that **the Board approve Konami Gaming, Inc. for a Manufacturer & Distributor License effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Holewinski seconded the motion. The Board approved the motion unanimously by roll call vote.

- **American Gaming & Electronics, Inc.**
Based on staff's investigation, Member Holewinski moved that **the Board renew the Distributor License of American Gaming & Electronics, Inc. effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.
- **American Vending Sales, Inc.**
Based on staff's investigation, Member Vander Weele moved that **the Board renew the Distributor License of American Vending Sales, Inc. effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.
- **H. Betti Industries, Inc.**
Based on staff's investigation, Member Gould moved that **the Board renew the Distributor License of H. Betti Industries, Inc. effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.
- **Moss Gaming, Inc.**
Based on staff's investigation, Member Holewinski moved that **the Board renew the Distributor License of Moss Gaming, Inc. effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.
- **Aristocrat Technologies, Inc.**
Based on staff's investigation, Member Vander Weele moved that **the Board renew the Manufacturer & Distributor Licenses of Aristocrat Technologies, Inc. effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Holewinski seconded the motion. The Board approved the motion unanimously by roll call vote.
- **Elite Gaming Technology, Inc.**
Based on staff's investigation, Member Gould moved that **the Board renew the Manufacturer & Distributor Licenses of Elite Gaming Technology, Inc. effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.
- **IGT**
Based on staff's investigation, Member Holewinski moved that **the Board renew the Manufacturer & Distributor Licenses of IGT effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Incredible Technologies, Inc.**
Based on staff's investigation, Member Vander Weele moved that **the Board renew the Manufacturer & Distributor Licenses of Incredible Technologies, Inc. effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.
- **MTD Gaming, Inc.**
Based on staff's investigation Member Gould moved that **the Board renew the Manufacturer & Distributor Licenses of MTD Gaming, Inc. effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.
- **WMS Gaming Inc.**
Based on staff's investigation, Member Holewinski moved that **the Board renew the Manufacturer & Distributor Licenses of WMS Gaming Inc. effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.
- **JCM American Corporation**
Based on staff's investigation, Member Vander Weele moved that **the Board renew the Supplier License of JCM American Corporation effective August 22, 2013 for a term of one year, expiring in August 2014.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call. vote
- **M3 Technology Solutions, LLC**
Based on staff's investigation, Member Gould moved that **the Board renew the Supplier License of M3 Technology Solutions, LLC effective retroactive to July 18, 2013 for a term of one year, expiring in July 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.
- **Bally Gaming, Inc. d/b/a Bally Technologies**
Based on staff's investigation, Member Holewinski moved that **the Board renew the Manufacturer, Distributor and Supplier Licenses of Bally Gaming, Inc. d/b/a Bally Technologies, effective August 22, 2013, for a term of one year, expiring in August 2014.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

TERMINAL OPERATOR LICENSEE ITEMS –

- **Donico Gaming, LLC**
Based on staff's investigation, Member Vander Weele moved that **the Board renew the Terminal Operator License of Donico Gaming, LLC effective August 22, 2013 for a period of one year, expiring in August 2014.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

- **G.F.M. Gaming, LLC**

Based on staff's investigation, Member Gould moved that **the Board approve G.F.M. Gaming, LLC for a Terminal Operator License effective retroactive to July 18, 2013 for a period of one year, expiring in July 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Metro Gaming, LLC**

Based on staff's investigation, Member Vander Weele moved that **the Board accept the proposed settlement agreement from Metro Gaming, LLC; delegate to the Administrator the authority to execute such settlement; and authorize legal counsel to present the executed settlement agreement to the Administrative Law Judge for disposition of this matter, in accordance with the terms of the settlement agreement.** Further, I move that **the Board renew the Terminal Operator License of Metro Gaming, LLC retroactive to March 20, 2013 for a period of one year, expiring in March 2014.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

TECHNICIAN & TERMINAL HANDLER LICENSEE ITEMS –

- **Approvals & Denials**

Based on staff's investigation, Member Gould moved that **the Board approve 5 applications for Technician Licenses and 52 applications for Terminal Handler Licenses and that the Administrator issue a Notice of Denial to the following applicants:**

- **Collin Cunning**
- **Lavell Newbon**
- **Marlon Ducker**

Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Christopher Pertle – Terminal Handler License**

Based on staff's investigation, Member Holewinski moved that **the Board rescind its July 18, 2013 denial of Christopher Pertle's Terminal Handler license application, and grant him a Terminal Handler license effective August 22, 2013 for a period of one year, expiring in August 2014.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

VIDEO GAMING LOCATION LICENSEE ITEMS –

- Based on staff's investigation, Member Vander Weele moved that **the Board approve 220 applications for Video Gaming Location Licenses, and that the Administrator issue a Notice of Denial to the following applicants:**

- **Nicodino's Pizza Co. & Café**
- **Johnsburg Bowl, Inc.**

- **Jerry Bender Inc.**
- **BooBoo's Dawghouse, Inc.**
- **John Hamara**
- **JA BIGS, Inc.**
- **Brian R. Krolack**
- **Fraternal Order of Eagles McLeansboro – Aerie #2699**
- **Sood Investments, Inc.**
- **Pegaso Enterprises, LLC d/b/a JB's South**
- **International House of Wine and Cheese, Inc.**
- **Gilligan's Bar & Grill Company**

Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Heyde-Pillow Post 1301 – Veterans Establishment License**

Based on staff's investigation, Member Gould moved that **the Board rescind its July 18, 2013 denial of the Heyde-Pillow Post 1301 and issue it a Video Gaming Veterans Establishment License for a period of one year, effective August 22, 2013, expiring in August 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Betty Ruth & Wayne F. Roley d/b/a A&P Tap –Establishment License**

Based on staff's investigation and in accordance with Public Act 98-0077, Member Holewinski moved that **the Board rescind its May 23, 2013 denial of Betty Ruth & Wayne F. Roley d/b/a A&P Tap and issue it a Video Gaming Establishment License for a period of one year, effective August 22, 2013, expiring in August 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Amvets Greater Peoria Post No. 64 – Veterans Establishment License**

Based on staff's investigation and in accordance with Public Act 98-0077, Member Holewinski moved that **the Board rescind its January 24, 2013 denial of the Amvets Greater Peoria Post No. 64 and issue it a Video Gaming Veterans Establishment license for a period of one year, effective August 22, 2013, expiring in August 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Kintz Enterprises, Inc. d/b/a Spinner's Tailspin Inn –Establishment License**

Based on staff's investigation and in accordance with Public Act 98-0077, Member Holewinski moved that **the Board rescind its April 18, 2013 denial of Kintz Enterprises, Inc. d/b/a Spinner's Tailspin Inn and issue it a Video Gaming Establishment License for a period of one year, effective August 22, 2013, expiring in August 2014.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by call vote.

PROPOSED COMPLAINTS AND DISCIPLINARY ACTIONS –

- **Heck Gaming, LLC**

Based on staff's investigation, Member Holewinski moved that **the Board issue a Disciplinary Complaint against Heck Gaming, LLC and revoke its Terminal Operator License, said action to take effect 21 days from the date of service of the Complaint, unless the licensee files an Answer within that time period.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

ADMINISTRATIVE REQUESTS FOR HEARING –

- **Requests for Hearing**

Based on staff's investigation, Member Vander Weele moved that **the Board deny the requests for hearing from Matthew Farris, Sr. and Suparossa Sports Bar and Grill, LLC as neither has offered facts to establish a prima facie case, and deny the requests for hearing from Christopher Pertle, and Betty Ruth & Wayne F. Roley d/b/a A&P Tap as those requests are now moot.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Thomas Brokhof – Request for Hearing**

Based on staff's investigation, Member Gould moved that **the Board deny the request for hearing from Thomas Brokhof as he has failed to offer facts to establish a prima facie case.** Member Holewinski seconded the motion. Member Vander Weele opposed the motion. Chairman Jaffe was in favor of the motion. The motion passed 3 to 1.

- **Requests to Reapply**

Based on staff's investigation, Member Holewinski moved that **the Board grant the requests to reapply from S.J.C. Illinois, LLC; Down The Street; Amvets Post #3 of Champaign; Robinson Lodge 1188 of the Benevolent and Protective Order of Elks; Domino Liquors, Inc.; and Rock Falls Post #902 American Legion; and deny the requests to reapply from Amvets Greater Peoria Post No. 64 and Kintz Enterprises, Inc. as those requests are now moot.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

- **James Dubois – Request to Reapply**

Based on staff's investigation, Member Vander Weele moved that the Board **deny the request to reapply from James Dubois.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

At 11:25 A.M. Member Gould motioned to adjourn and Member Vander Weele seconded the motion. All Members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta
Secretary to the Administrator